



Judicial Council of California

Administrative Office of the Courts

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GLOSSARY

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GLOSSARY

Introduction

This glossary provides definitions of key terms used throughout these procedures. Please note that this list is not "all-inclusive"--if you require additional information and/or clarification regarding these terms, you should consult your manager.

Definitions

A

Account A record of financial activities that shows additions and deductions to an entity's assets, liabilities, revenues and expenses.

Accountability An obligation to explain one's actions, to justify what one does. The court is held accountable for, or is required to justify, its expenditure of public resources and the purposes for which they are used.

Accounting System The methods and records established to identify, assemble, analyze, classify, and record transactions; thus maintaining accountability for the court's related assets and liabilities.

Accounts Payable An obligation to pay a vendor for goods or services that is created when an invoice is received and logged into the accounting system.

Accrual Basis The accrual method of accounting recognizes transactions when they occur, regardless of the timing of related cash flow. Revenues are recognized when earned and expenses when incurred.

Adjusting Entry An accounting entry made to prepare for closing the books at the end of an accounting period that recognizes an internal transaction and brings the general ledger current as of a specific date.

Advance A payment made to the trial court under a grant prior to the time that the court incurs the costs that the payment is intended to cover.

Administrative Director of the Courts The person responsible for implementing the directives of the Judicial Council and developing policies and procedures for the creation and implementation of the annual judicial budget. The Director also presents the judiciary's budget to the Governor and Legislature.

Administrative Office of the Courts The organization established by the Judicial Council to serve the courts of California and provide them with administrative support.

Agency Fund A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or other funds.

Agreed Upon Procedures Review A review by auditors in which the nature and scope of the procedures performed are detailed for the auditor by a written agreement. The auditors perform the tasks established by the agreement, report test errors, and provide a summary of findings. The review is not an independent audit and no opinion is issued by the auditors.

AICPA The American Institute of Certified Public Accountants.

Annual Leave Authorized leave of absence with pay used for vacation, illness, or other personal reasons.

Appraisal An independent estimate or determination of the fair market value of a donation. An appraisal is generally prepared by a qualified

appraiser or, in some cases, by an expert knowledgeable about the particular object in question. (If the fair market value of a non-financial gift exceeds \$5,000, the donor should provide a copy of an appraisal to the court).

Approved Budget A plan for the financial operation of the trial court for a fiscal year. The plan is developed and submitted to the AOC for approval as set forth in Section 4.01 of this manual.

Assembly Bill 233 (AB 233) The Lockyer-Isenberg Trial Court Funding Act of 1997, which shifted responsibility for funding the trial courts from the counties to the state.

Assembly Bill 1935 (AB 1935) Follow up legislation to AB 233 that provides clarification and more detail to the original trial court funding legislation.

Asset A probable future economic benefit obtained or controlled by the Trial Court as a result of past transactions (acquisitions) or events (transfers).

Audit An audit is a methodical review and objective examination of an item, including the verification of specific information as determined by the auditor or as established by general practice. Generally, the purpose of an audit is to express an opinion on or reach a conclusion about what was audited.

Audit Trail A series of documents that traces the movement and location of funds through an accounting system (e.g., receipt, cash collection record, deposit permit request, monthly cash settlement report).

Award The selection of a vendor, supplier, or contractor for a procurement action.

B

Bank Account Any checking, savings, money market or other account established with an approved financial institution to allow for the deposit and withdrawal funds to facilitate trial court operations.

Bank Reconciliation The process of systematically comparing the cash balance as reported by the bank with the cash balance on record, and explaining any differences.

Baseline Budget The level of funding provided to support current court operations. Generally, the baseline budget is developed as follows:

Baseline Budget = Existing Allocations + Adjustments for Salary Increases + Annualized Partial Year Costs - One-time Costs.

Bid A response to an Invitation for Bid or informal call for bids that contains an offer to provide goods and/or services at a specified price.

Blanket Purchase Order (BPO) An arrangement under which a purchaser contracts with a vendor to provide an undetermined amount or level of goods or services for a specified period of time and up to a maximum dollar amount.

Block Grant Grants awarded to the states to provide assistance to State and local units of government for programs according to legislative requirements.

Bribe Any giving, offer, or promise of anything of value provided in an attempt to corrupt judgment or conduct, or to influence an official act.

Budget A plan for the financial operation of the trial court for a specified time period, usually a fiscal year.

Budget Act The legislative action signed into law by the Governor that provides appropriations for the operation of the State government, including the trial courts, for the coming fiscal year.

Budgetary Comparison A statement that presents a comparison between budgeted amounts and the actual results of operations.

Budgetary Control The management of the trial court according to an approved budget to keep expenditures within the limitations of available appropriations and revenues.

Budget Change Requests New funding requests proposed to address increases in caseload or workload, meet legislative mandates, or finance new programs or trial court operations.

Budget Revision An adjustment to a trial court's available budget.

Budget Transfer A movement of funds in a trial court's budget among program, element, component or task areas, and between objects of expenditure.

Bureau of State Audits An agency of the executive branch of the state government established in 1993. The Bureau of State Audits is directed by statute to perform the following types of audits:

- Financial audits
- Compliance audits
- Performance audits
- Contract audits
- Investigative audits

The State Auditor is given full access to all records of state and local agencies, special districts, public contractors, and school districts. All state and local contracts greater than \$10,000 are subject to audit by the State Auditor for a period of three years after final contract payment.

C

California Rules of Court Rules established by the Judicial Council to improve the administration of justice. The Judicial Council has constitutional authority to “*adopt rules for court administration, practice and procedure not inconsistent with statute.*” Rules of Court have the force of law.

California Multiple Award Schedule (CMAS) A program created by the Department of General Services (DGS) in 1994 following the 1993 passage of AB 1727 (Polanco). The CMAS Unit establishes agreements with manufacturers and suppliers that offer products and/or services that are currently on an existing multiple award schedule with the Federal General Services Administration or other approved multiple award contract. CMAS agreements have not been competitively bid and the pricing is generally a ceiling price. Terms and conditions, and pricing should be carefully reviewed to determine if the court’s requirements are met. DGS will bill the court a fee to use the CMAS contract, unless the CMAS vendor is qualified as a small business.

Capital Projects Fund A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Cash Currency, coins, checks and money orders.

Cash Change Fund The beginning balance in a cashier’s cash drawer or cash register to be used for making change when receiving payments from customers.

Cash Control The management of currency, checks, money orders, etc.

Cash Flow A measure of the trial court's ability to meet its financial obligations over a defined time period, considering cash on hand, anticipated revenue, and known obligations or debts.

Certificate of Insurance A document that provides evidence that an insurance policy has been written and that includes a statement of the policy coverage in general terms.

Change Order Documentation of informal and/or immaterial changes to a contract, usually signed by the project managers of each party. A change order may lead to a contract amendment.

Chart of Accounts The complete list or index of all the accounts used to record an entity's revenues and expenses. The chart of accounts provides a map of the accounting system.

Check A written order on a bank to pay a specified amount to the bearer on demand.

Claim A document submitted by a service provider for payment for services rendered.

Closing Entry An accounting entry that transfers the balance of an operating account (i.e., a revenue or expenditure account) to a fund balance. After all closing entries are made; only balance sheet accounts have balances.

Collection Record A document used to record information about all the payments received by the court. The collection record should show in chronological sequence and by receipt number all amounts collected by the court and the nature of the money collected.

Compensated Personal Time Time-off for holiday, vacation, sick leave, or other time away from work for which an employee is paid.

Competitive Procurement The acquisition process used for procurements that exceed a suggested value of \$10,000. The process requires the solicitation of bids, quotes, or proposals (collectively, offers) from qualified providers, the evaluation of responses against predetermined criteria and the award of a purchase order or contract to the offeror that best satisfies the stated criteria and offers the trial court the best value.

Compliance Audit An examination of compliance with applicable laws and regulations.

Comprehensive Annual Financial Report (CAFR) The overall fiscal report for California state government, including the state trial court system. The trial courts submit financial information to the AOC for consolidation and submittal to the state for inclusion in the State of California CAFR. The CAFR includes financial statements and supporting schedules, documentation, statistics and introductory material to demonstrate conformity to GAAP and compliance with legal requirements, rules and regulations.

Comprehensive Court Security Plan The plan provided by the court to the AOC that addresses a law enforcement security plan and all other court security matters.

Confidential Information Any information that must not be revealed according to federal, state, or local laws, or court rules or court order.

Conflict of Interest A set of circumstances (e.g., a personal or economic interest) that may prevent a trial court employee from acting in the best interests of the trial court in carrying out his or her official duties.

Consideration The price, payment, or other compensation made in return for performance of an action under a contract.

Contract An agreement between two parties to perform an action in return for some consideration (compensation). The contract defines the scope, schedule, consideration, and general terms and conditions which the parties agree to abide by under the agreement.

Contract Administration The post-award administration of a contract to ensure compliance with the contract terms by both the contractor and the trial court, in accordance with applicable rules, laws, and regulations.

Contract Amendment A formal contract modification authorized and signed by the contracting parties that describes a material change to the contractor's originally contracted work, price, time for performance, or other contract terms and conditions, and specifies cost and time impacts regardless of whether they are increases, decreases, or zero.

Contract Claim A demand or assertion by one of the parties to a contract made in writing and seeking the payment of money, adjustment or interpretation of contract, terms, or other appropriate relief.

Contract Dispute A difference of opinion between contracting parties regarding the meaning and interpretation of the contract language, specifications, schedule, price, or other related issues that generally impact performance, completion, payment, amendments, claims, or other contractual rights.

Contract Law Enforcement Template A document that accounts for and further defines allowable costs related to law enforcement trial court security services.

Contract Modification Any written alteration in an existing contract's specifications, delivery point, and rate of delivery, contract period, price, quantity, or other provision. Modifications can be either bilateral or unilateral and include actions such as change orders or contract amendments.

Contractor A person or business that enters into an agreement (a contract) to provide goods or services to another party in return for legal consideration.

Contract Suspension A temporary delay of contract performance initiated by a written notice from the trial court to the contractor.

Control Environment The cumulative effect of factors including management style, organizational structure, and delegation of authority, control methods, internal audits, personnel guidelines, and others that establish and enhance the effectiveness of specific policies and procedures.

Court Attendant An unarmed, non-law enforcement court employee who performs those functions specified by the court, except those functions that may only be performed by armed and sworn personnel. The court attendant is not a peace officer or public safety officer.

Court Personal Property All court property other than real estate.

Credit An entry on the right side of an account constituting an increase to a revenue, fund, or liability account, or a deduction from an expense or asset account.

Cure Notice A formal notice provided to a contractor that is in default of its contractual obligations. The notice provides description of the default, a prescribed time period in which the contractor must cure the deficiency and demonstrate that contract performance will not be jeopardized. Failure to satisfy the Cure Notice may be cause for the trial court to issue a Notice of Default.

D

Debit An entry on the left side of an account constituting an increase to an expense or asset account, or a deduction from a revenue, fund balance, or liability account.

Debt Service Fund A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Department of Finance (DOF) The State Executive Branch department that serves as the Governor's staff arm in preparing the annual Governor's Budget and administering the Final Budget Act.

Deposit Cash and negotiable paper (checks, money orders, cashier's checks, traveler's checks, etc.) placed in an account with a financial institution.

Deposit Permit Request A form prepared to accompany the deposit of funds collected by the court to the county treasury. The deposit permit request must be supported by acceptable documentation such as duplicate receipts or a receipt listing.

Disbursement Payment to a vendor from a specific fund(s) or budget unit(s).

Disposable Item Items with a value of ***less than \$500*** that are intended for one time use, or that have an anticipated useful life of less than one year.

Donation A voluntary transfer of property (e.g., a financial gift or a non-financial gift) made without expecting or receiving anything of value in return.

E

Earnings Statement The information that is attached to an employee's paycheck regarding payment received and deductions taken for the pay period and year-to-date.

Encumbrances Obligations of monies in the form of purchase orders, contracts, and other commitments. These may include purchase card transactions, purchase orders, or contracts that are chargeable to a fund and for which part of the fund is reserved. The fund remains encumbered until the payment is made, the obligation expires, or cancellation occurs, at which time some or all of the encumbrance is reversed. An encumbrance is not an expenditure or a liability, but merely a reserve of funds. Expenditures are recorded when, and if, goods are actually provided or services are actually rendered.

Enterprise Fund A fund established to account for operations financed and operated in a manner similar to private business enterprises.

Equity The owned value of an asset, the difference between assets and liabilities (equity = assets – liabilities)

Equipment Reusable items with a useful life of one year or more, and a value **greater than \$500**. Equipment with a value **greater than \$5,000** is classified as a fixed asset.

Escheatment The transfer of unclaimed property (e.g., uncashed checks issued by the trial court) to a government entity.

Exempt Employee An employee who is not included under the provisions of the federal Fair Labor Standards Act. Exempt employees do not generally receive overtime compensation.

Expenditures The incurrence of an actual expense in accordance with governmental authority. Expenditures shall be recognized in the accounting period during which goods are received or services are rendered.

F

Fair Labor Standards Act A federal law (29 USC, Chapter 8) that establishes a minimum wage, maximum working hours with a provision for overtime pay, and prohibitions against oppressive child labor practices.

Fair Market Value The price that an item or service would carry in an open market between a willing buyer and a willing seller in an arms-length transaction, where each party has full knowledge of the facts.

Fiduciary To act for another party's benefit while subordinating one's individual interests is to act in a fiduciary capacity.

Fiduciary Fund The trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for others.

Financial Audit An audit performed to determine whether financial statements are presented fairly and in conformance with GAAP. Financial audits are performed in accordance with GAAS and GAGAS.

Financial Gift A voluntary donation of currency, negotiable instruments, securities, or other intangible interest of any nature or description, made without expecting or receiving a resulting value (e.g., goods, services, or some promised action or forbearance) in return.

Fiscal Officer A person who provides daily oversight on how the funds are spent and managed. This oversight includes ensuring funds are budgeted, where appropriate, that they are spent according to fiscal policy, that funds are spent in alignment with the account purpose, that processes and controls are in place, that the account is reconciled on a monthly basis, and

that either the expenditures are in conformity with the budget, or appropriate budget changes have been made to reflect a change in the original budget.

Fiscal Year The 12-month budgeting and accounting period. The State of California's fiscal year begins on July 1 and runs through the following June 30.

Fixed Asset Tangible assets of significant value with a useful life of one year or more. Fixed assets are usually classified in four categories: land, buildings and improvements, equipment, and construction in progress.

Forbearance A purposeful decision to refrain from acting on something.

Force Majeure (literally meaning "greater force") A contract clause that protects the parties to a contract in the event that all or part of a contract cannot be performed due to causes that are outside their control and could not be avoided by the exercise of due care.

Full-time Employee An employee who works a 40-hour workweek.

Fund A fiscal and accounting entity with a self-balancing set of accounts. A fund is established to record cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. A fund allows for the segregation of financial activities for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

G

General Fixed Assets Account Group A self-balancing group of accounts set up to account for the fixed assets used in the operations accounted for in governmental funds. This includes all fixed assets not accounted for in proprietary or trust and agency funds.

General Fund The fund used to account for all financial resources except those specifically required to be accounted for in other funds.

General Ledger A record containing the accounts needed to reflect an entity's financial position and the results of operations. The general ledger may consist of the main ledger, sub ledgers, and other transaction documentation that combine to provide a complete financial profile. The general ledger links the chart of account to the accounting system.

Generally Accepted Accounting Principles (GAAP) Uniform minimum standards and guidelines for financial accounting and reporting that govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practices at a given time. They include not only broad guidelines of general application, but also detailed practices and procedures.

Generally Accepted Auditing Standards (GAAS) Standards adopted by the AICPA for the conduct and reporting of financial audits. The GAAS set forth objectives of the audit and establish measures that can be applied to judge the quality of its performance.

Generally Accepted Government Auditing Standards (GAGAS) Mandatory standards for conducting both financial and performance audits where federal funds are involved. GAGAS consist of GAAS standards supplemented by additional standards established by the U.S. General Accounting Office.

Government Accounting Standards Board (GASB) The authoritative accounting and financial reporting standard-setting body for government entities.

Governmental Fund Funds used to account for the acquisition, use and balances of expendable financial resources and the related current

liabilities – except those accounted for in proprietary funds and fiduciary funds.

Grant Contributions of cash or other assets from a government or other entity that are used or expended for a specific purpose, activity, or facility.

Grantee The entity to which a grant is awarded, and which is accountable for the use of the funds or other assets provided by the grant.

Grantor The entity that makes a grant award. The grantor may be a federal, state, or local government, a corporation or other business, a private foundation, or other organization.

Grant Period (also Funding Period) The time between the effective date of the grant award and the ending date of the award.

Gratuity Anything of material value offered to a public official or employee in return for favorable consideration in business dealings.

H

Honorarium Anything of value accepted as consideration for an appearance, speech, or article.

I

Indemnification In a contract, a clause that requires a contractor to compensate, reimburse or hold the trial court harmless from loss, damage, or liability that may arise out of the contractor's performance of the contract.

Identification Number Register A list containing the identification numbers assigned to assets and equipment and brief descriptions of the items inventoried.

Independent Audit An audit performed by an auditor meeting the independence criteria established by GAAS in which an audit opinion is issued. The Bureau of State Audits is the State of California's independent auditor.

Indirect Rates Fixed rates for overhead or general and administrative expenses established to determine the amounts due to a grantee in addition to its direct costs. Also referred to as predetermined rates.

Interagency Agreement An Executive Branch form agreement that outlines the terms of a transaction between the trial court and an agency of the Executive Branch.

Internal Audit All forms of appraisal of activities conducted by auditors working for and within the organization that they are auditing. Internal auditors may be employees or contractors of the organization.

Internal Controls The plan of organization and all the methods and measures used by the court to monitor assets, prevent fraud, minimize errors, verify the correctness and reliability of accounting data, promote operational efficiency, and ensure that established managerial policies are followed.

Internal Service Fund A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

Inventory A detailed list of the quantities, descriptions and values of property owned by the Trial Court.

Inventory Item Any item with a value of ***more than \$1,000 and less than \$5,000*** and an anticipated useful life of more than one year. In addition, items of lower value that are particularly subject to loss or theft may be

classified as inventory items. Examples include cellular telephones, computer monitor, printers, etc.

Invitation for Bid (IFB) A solicitation document used when the goods and/or services to be purchased are very well defined, the primary decision factor is price, and an award is made without the need to communicate with bidders after bids are received.

Invoice A claim for payment submitted by a vendor for goods supplied or services rendered.

J

Journal A book, register, form or electronic record in which a transaction's effects are recorded.

Journal Entry The entry of transaction data into a journal. Specific data that should be entered includes appropriate account numbers, transaction dates, transaction amounts (debits and credits), a transaction description, and who prepared the journal entry.

Judicial Council The governing body of the California courts established in 1926 by article VI, section 6 of the Constitution of California. Under the leadership of the Chief Justice, the Judicial Council is responsible for ensuring the consistent, independent, impartial, and accessible administration of justice (GC 68070, GC 77001, CRC 6.1).

K

Kickback Any money, fee, commission, thing of value or compensation of any kind that is provided directly or indirectly for the purpose of improperly obtaining or rewarding favorable treatment.

L

Law Enforcement Security Plan A plan that is provided by a sheriff that includes policies and procedures for providing public safety and law enforcement services to the court.

Ledger A group of accounts used to record the financial transactions of an entity.

Liability A financial commitment to make a future payment or to provide services to another party in return for the receipt of some benefit.

Liquidated Damages An amount fixed in a contract that is assessed against a contractor when it breaches the delivery provision of a contract (e.g., it fails to complete delivery, installation, services, or the work specified in a contract within a defined period of performance or schedule).

Lockyer-Isenberg Trial Court Funding Act of 1997 (AB233) Law enacted by the State of California legislature taking effect on January 1, 1998. Under this law, the funding of the Trial Courts is consolidated at the state level to ensure equal access to justice throughout California. Key provisions of the law include giving the legislature authority to make appropriations and giving the Judicial Council of California authority to allocate funds to the Trial Courts. (Refer to Appendix A).

M

Master Agreement A Master Agreement is a contract that is used when the trial court has identified a recurring need for a specific type of service, but the level of effort and timing of the court's need fluctuates or is uncertain. For example, master agreements may be useful to obtain the services of temporary agency employees, translators, court reporters, court-appointed counsel, etc.) Master agreements generally define the

types of services to be provided and establish the rates that the provider will charge the trial court for those services.

Memorandum of Understanding (MOU) A written statement that outlines the terms of an agreement or transaction between the trial court and another government entity, such as the county or AOC, and if no court funds are involved, the DMV or other such agencies.

Micro Purchase A purchase with a suggested total value of \$500 to \$2,500.

Mileage Claim A form used to record the reimbursable mileage claimed for the use of a judge's or employee's personal vehicle in conducting trial court business.

Mini Purchase A purchase that does not exceed a suggested total value of \$500.

Modified Accrual Basis The accrual basis of accounting adapted to the governmental fund type measurement focus. Under the modified accrual basis, revenues are recognized when they become both *measurable* and *available* to finance expenditures of the current period. *Available* means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

Monthly Cash Settlement Report A report prepared by the court summarizing the revenues collected by the court each month. The collection record provides the data necessary to prepare the report.

N

Negotiate To communicate with another party to arrive at an agreement.

Nominal Value Cash or market value not greater than \$10 per item, with an annual aggregate per recipient of \$50 or less.

Non-exempt Employee An employee who is included under the provisions of the federal Fair Labor Standards Act. Non-exempt employees are generally entitled to receive overtime compensation when they work over 40 hours per week.

Non-Financial Gift A voluntary donation of personal property, not including a financial gift, made without expecting or receiving a resulting value (e.g., goods, services, or some promised action or forbearance) in return. Examples include donated works of art, furniture, computers, or other equipment.

Notice of Default A written notice to convey a material contract deficiency that must be immediately remedied (i.e., cured). Failure to properly respond to the notice and address the alleged default may give rise to termination for cause proceedings.

O

Overtime Authorized time worked in excess of the regularly scheduled workweek.

P

Part-time Employee An employee who works less than a 40 hour workweek.

Performance Audit An audit performed to evaluate the economy and efficiency of an organization's operations, its effectiveness in meeting

regulatory requirements, and the correspondence between performance and established criteria. The performance audit provides a review of the degree to which management's performance meets pre-stated expectations.

Personal Property Money, goods, and movable property. (Civ. Code, §§ 14, 657, 663.)

Petty Cash An advance of money to be used for small, but necessary operating items, not to exceed \$100.00, exclusive of applicable sales tax.

Procurement The process of acquiring goods or services to support the operations of the trial court.

Proposal A response to a Request for Proposals that describes the proposer's approach, scope of work, schedule and cost to provide goods or services, as well as the ability to meet other relevant criteria established by the requestor.

Proprietary Fund Funds used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds).

Purchase Order (P.O.) A form of contract used to document a purchase transaction (usually for goods). Purchase orders are sequentially numbered for control purposes, with fields that identify the quantity, price, and description of goods ordered, payment terms, discount factors, and date of delivery or performance.

Q

Quarterly Financial Statement (QFS) A report submitted by the trial court according to Judicial Council requirements and Government Code Section 77206, that is used to monitor the financial condition and budgeted

expenditures of the trial court throughout the fiscal year. The AOC is required to submit an annual report based on the QFS to the Joint Legislative Budget Committee regarding trial court expenditures.

Questioned Cost An expenditure made under a state, local, or federal grant program that may not be allowable under the conditions of the grant agreement. Questioned costs that are disallowed must be refunded to the grantor.

Quote An offer (written or verbal) that describes the respondent's price for goods or services to be procured. Discussions with the offeror are required to confirm the terms of the quote before an award is made.

R

Real Property Land, things that are attached or incidental to the land (e.g., buildings, roads, waterways, trees, plants), and things that are immovable by law. (Civ. Code §§ 14, 658.)

Receipt A written record received upon payment for goods or services that itemizes the goods or services received and the price paid for them.

Record Any document, drawing, book, writing, log, data, etc., and supporting evidence recorded in a permanent form and intended to preserve knowledge of an action or an occurrence. Records include computer-stored or generated information, microfilm, computer programs, tapes, disks, etc.

Record of Equipment Transfer, Acquisition or Disposal A form used that protects the integrity of the physical inventory by documenting changes due to the transfer, acquisition or disposal of assets or equipment.

Record of Physical Inventory A complete listing of all items assigned to a particular unit or location.

Reimbursement Grant A type of grant under which the trial court is reimbursed for work performed and/or costs incurred up to the total amount

specified in the grant. Such costs must be allowable in accordance with the applicable cost principles.

Report of Revenues (ROR) A supplementary report submitted by the trial court along with the QFS according to Judicial Council requirements and Government Code section 77202. The ROR is used to monitor the receipt of all revenues, including fines, fees and forfeitures, throughout the fiscal year.

Request for Bid (RFB) See Invitation for Bid, above.

Request for Proposal (RFP) A solicitation document used when the goods or services required are not precisely defined. Responses are judged against each other using predetermined selection criteria. The procuring party reserves the right to negotiate after the submittal of proposals, but may also make an award without discussions or negotiations. Most often used to acquire services.

Request for Quote (RFQ) A solicitation document used when award (if any) will be made after negotiation with the offeror. Quotations received must be discussed and confirmed to determine which one offers the best value to the court before a purchase order or contract can be awarded.

Requisition A written or electronic request to that initiates the procurement process. The requisition clearly describes the required goods or services, the quantity needed, and the schedule for delivery or performance.

Retention An amount that is withheld from contractor payments until final and satisfactory project completion.

Revenue Monies received in the form of cash, check, money order, credit card or debit card payment, or other acceptable form.

Rule 810 California Rule of Court that defines the division of responsibility between the state and county for funding the trial courts. Rule 810 includes

a listing of the types of costs that the county is allowed to charge the court as well as a list of unallowable costs.

Rule of Court 6.707 The rule of court that establishes the authority of the Judicial Council to prepare and adopt a financial policies and procedures manual for the trial courts, and defines the comment period and date of adherence for any amendments to the manual.

S

Sealed Bid A bidder's response to an IFB or RFB that is physically sealed and publicly opened with all other bids received at a specified date and time. Contract award, if any, is made to the lowest responsive, responsible bidder. Sealed bids are used when discussions with offerors are not required and award is based primarily on price.

Service Provider An individual or business that contracts to sell its services to the court.

Single Audit Act (SAA) Enacted in 1984 and amended in 1996, the Single Audit Act replaced the duplicative audits of multiple grantor agencies with a single audit designed to meet the needs of all federal grantors. The Bureau of State Audits, as the independent auditor for the State of California, is responsible for SAA performance.

Small Purchase A purchase with a total value greater than \$2,500 but less than \$10,000.

Software Programs, procedures and related documentation necessary to install and run specific computer applications.

Sole Source A single vendor, supplier or contractor that is able or qualified to provide a specific type of goods or services.

Solicitation Document A document used to obtain bids, quotes, or proposals (collectively, offers) for required goods or services. The

solicitation document describes the needed goods or services, the quantity or level of effort required the conditions under which work will be performed, delivery schedule and other requirements of the requestor. Instructions for the content and submittal of the solicitation response are also provided.

Special Revenue Fund A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Subgrantee or Sub recipient An entity that receives a subgrant and is accountable to the grantee for the use of the funds. For example, the federal government (the grantor) may award funds to the Judicial Council (the grantee), which are passed through to the trial court (the subgrantee or subrecipient).

Sub Ledger or Subsidiary Ledger A ledger that contains information on specific accounts that interacts with the general ledger (accounts receivable and accounts payable are common examples of sub ledgers).

Subrogate To substitute one party for another in a legal proceeding.

Superior Court Law Enforcement Functions Security services provided by the sheriff to the trial court including all of the following:

- a. Bailiff functions as defined in Penal Code §830.1 and 830.6, in criminal and non-criminal actions including, but not limited to, attending courts.
- b. Taking charge of a jury as provided in Code of Civil Procedure §613 and 614.
- c. Patrolling hallways and other areas within court facilities.
- d. Overseeing prisoners in holding cells within court facilities.
- e. Escorting prisoners in holding cells within court facilities.
- f. Providing security screening within court facilities.

Providing enhanced security for bench officers and court personnel as agreed upon by the court and the sheriff.

T

Technology Equipment Any piece of tangible equipment or automatic electronic device used to perform mathematical or logical operations to acquire, store, manipulate or disseminate electronic data including, but not limited to, central processing units, monitors, keyboards, mouse units, etc.

Temporary Employee An employee hired for occasional or seasonal work when there is a need for additional staff, or where the scheduling of work requires the services of a person(s) on an intermittent basis.

Termination An action by the trial court or contractor to unilaterally end all or part of the work under a contract.

Termination for Convenience A contract clause giving the trial court the right to unilaterally terminate all or a portion of a contract without cause and for its own convenience. The contractor is paid the fair value of work performed up to the effective date of the notice of termination.

Termination for Default (or Termination for Cause) A contract clause giving the trial court the right to terminate a contract if the contractor fails to meet a material condition of the contract. If provided for in the contract, the contractor is responsible for any net increase in cost that the trial court may incur in completing the work upon termination for cause. A contractor may also terminate a contract for cause if the trial court does not meet its material obligations.

Timesheet The form used to record the distribution of all time charges for Trial Court employees.

Temporary Employee An employee hired for occasional or seasonal work when there is a need for additional staff, or where the scheduling of work

requires the services of a person on an intermittent basis. Temporary employees shall not work more than 780 hours (an average of 15 hours per week) in a fiscal year. Temporary employees are not entitled to benefits.

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Timesheet The form used to record the distribution of all time charges for trial court employees.

Total Recorded Hours The sum of total direct (court program chargeable), indirect (non-court program chargeable), and compensated personal time (paid time off) hours recorded on an employee's timesheet.

Transaction A financial activity that must be recorded.

Travel Reimbursement Claim A form used to record business travel costs when requesting reimbursement. The form must be signed by the person requesting reimbursement, his or her supervisor or manager, and accompanied by appropriate receipts before payment of the claim may be processed.

Travel Request A form used to obtain approval for planned business travel prior to making travel arrangements. Travel costs incurred without a completed Travel Request form may be subject to rejection when reimbursement is requested.

Trust Fund A fund used to account for assets held by a government in a trustee capacity for individuals, private organizations other governments and/or other funds.

U

Unencumbered Balance of Fund That portion of a fund not yet expended or encumbered. Any such balance remaining at the end of the fiscal year shall revert to the available balance of the fund.

Unobligated Balance The amount of funds awarded by the grantor that are not committed or expended by the trial court.

Unsolicited Proposal A written proposal to supply goods or perform services that was not requested by the trial court. Unsolicited proposals are normally received in one of the following ways: (1) a bid solicitation is issued and a supplier that was not solicited submits a bid; or (2) a supplier, on its own initiative, offers to supply goods or perform a service for which no solicitation has been issued.

V

Vendor A person or business that contracts to sell goods or services to the trial court.

Voucher A written document that evidences the propriety of transactions and which is normally used to indicate the accounts (codes) in which they are to be recorded.

W

Warrant An order drawn by a county officer on the treasury, directing payment of a specified amount to a specific person or entity. A warrant is similar to a bank check.

Warranty A contractor's, vendor's, or supplier's promise or guarantee regarding the nature, usefulness, service life, or conditions of the goods or services provided.